GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4478
ANSWERED ON:19.05.2006
ADB LOAN
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Will the Minister of FINANCE be pleased to state:

(a) Whether the Asian Development Bank (ADB) has decided to double its loan assistance to India ;

(b) If so, the facts thereof ;

(c) The details of the projects which are likely to be funded by the said loan assistance ;

(d) Whether the Government has decided the areas of fresh funding;

(e) If so, the details thereof; and

(f) The extent to which the loan assistance is likely to be increased?

Answer

MINISTER OF STATE FOR FINANCE SHRI PAWAN KUMAR BANSAL

(a) to (c) and (f) Government of India and Asian Development Bank have tentatively finalized the ADB's Country Strategy Program for 2006-2008. The ADB will make efforts to increase its lending to India from US $ 2.25 billion in 2006 to US $ 2.45 billion in 2007 to US $ 2.65 billion in 2008 should there be demand for it from the States and other Executing Agencies. The loans are in sectors identified by the Government of India to combat poverty through infrastructure-led growth. Nearly 77% of the three-year program focuses on core infrastructure projects including Transport (National Highways, State Roads, Rural Roads, Railways and Urban Transport); Urban (Water and Sanitation, City Development, Municipal Reform); and Energy (Power Sector Reforms, Transmission and Distribution, Hydropower). The finalization of ADB's annual loan portfolio is done each calendar year (2006, 2007 and 2008) in consultation with the line Ministries and State Governments.

(d) and (e) Agriculture and Tourism sectors are the new areas for which ADB assistance will be sought.